MEMORANDUM

TO:

KEDFA Board Members

FROM:

Jean R. Hale, Chairman

Kentucky Economic Development Finance Authority

DATE:

March 21, 2019

SUBJECT:

KEDFA Special Board Meeting

A special meeting of the Kentucky Economic Development Finance Authority is called for 3:00 p.m. (EDT) on Wednesday, March 27, 2019 via video conference.

Meeting locations are as follows:

Frankfort
Kentucky Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway,
Board of Directors Conference Room

• Pikeville
Community Trust Bank, Inc. 346 North Mayo Trail, 5th Floor Conference Room

The purpose of the meeting is to consider a Kentucky Business Investment (KBI) project and Kentucky Enterprise initiative Act (KEIA) project in Meade County.

Attachment



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

Old Capitol Annex
Board of Directors Conference Room
300 West Broadway
Frankfort, Kentucky

SPECIAL BOARD MEETING

AGENDA March 27, 2019

Call to Order Notification of Press Roll Call

KBI Project (Preliminary) and KEIA Project - Meade County

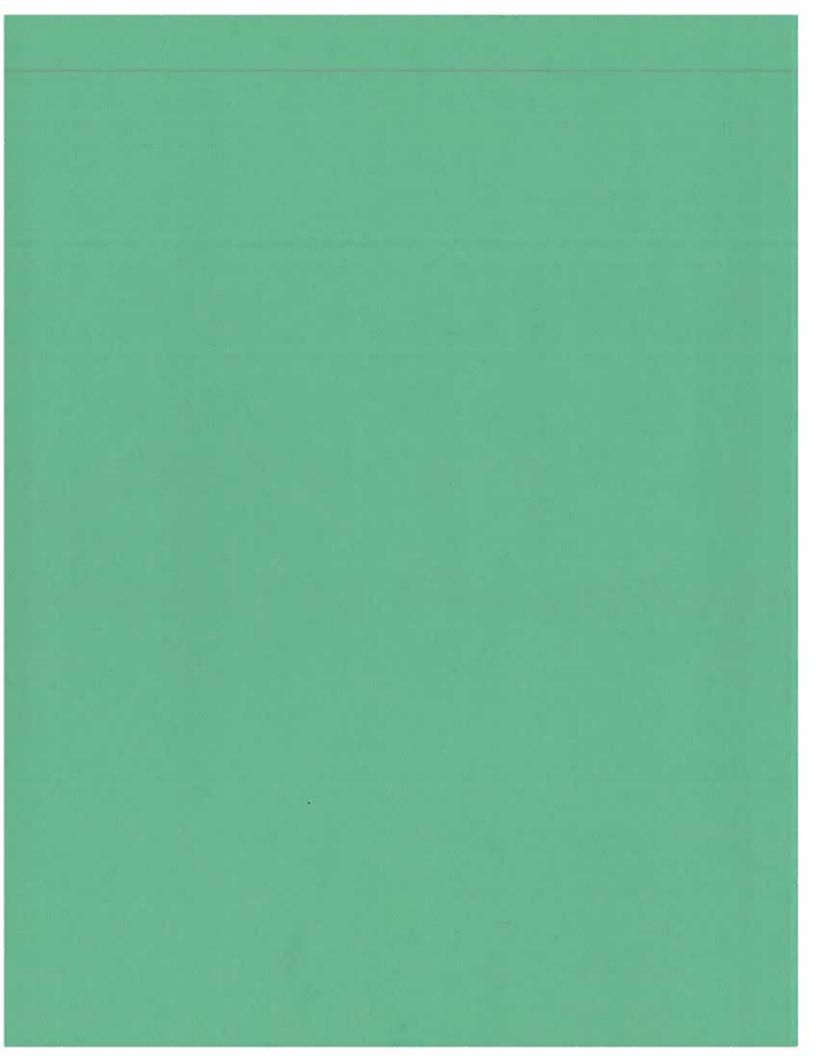
Presented by: Katie Smith and Michelle Elder

Adjournment

Video Conference Sites:

Cabinet for Economic Development Board of Directors Conference Room Old Capitol Annex 300 West Broadway Frankfort, Kentucky

Community Trust Bank, Inc. 5th Floor Conference Room 346 North Mayo Trail Pikeville, Kentucky



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY KBI REPORT - PRELIMINARY APPROVAL

Date:

March 27, 2019

Approved Company:

Nucor Corporation

City:

Brandenburg

County: Meade

Activity:

Manufacturing

Prelim Resolution #: KBI-I-19-22495

Bus. Dev. Contact:

L. Ransdell

DFS Staff: M. Elder

Project Description:

Nucor Corporation and its affiliates are manufacturers of steel products, with operating facilities primarily in the U.S. and Canada. Nucor is considering growing its operations by constructing a new state-of-the-art plate mill facility and is considering Brandenburg for this location. The new plate mill would enhance Nucor's ability to serve its customers in the region

as well as the needs of its customers around the world.

Facility Details:

Locating in a new facility

Anticipated Project Investment - Owned

Land

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment	
\$12,200,000	\$12,200,000	
\$177,275,000	\$177,275,000	
\$1,165,200,000	\$1,165,200,000	
\$3,850,000	\$3,850,000	
\$1,358,525,000	\$1,358,525,000	

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	lab Tarret	Average Hourly Wage Target (Including	Annual Approved Cost
	Job Target	Employee Benefits)	Limitation
As of Activation Date	400	\$45.00	
1	400	\$45.00	\$2,000,000
2	400	\$45.00	\$2,000,000
3	400	\$45.00	\$2,000,000
4	400	\$45.00	\$2,000,000
5	400	\$45.00	\$2,000,000
6	400	\$45.00	\$2,000,000
7	400	\$45.00	\$2,000,000
8	400	\$45.00	\$2,000,000
9	400	\$45.00	\$2,000,000
10	400	\$45.00	\$2,000,000
11	400	\$45.00	\$2,000,000
12	400	\$45.00	\$2,000,000
13	400	\$45.00	\$2,000,000
14	400	\$45.00	\$2,000,000
15	400	\$45.00	\$2,000,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$30,000	,000

County Type:

Enhanced

Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06

Total hourly compensation: \$10.42

Ownership (20% or more): Publicly Traded

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 5.0%

Unemployment Rate:

County: 4.1%

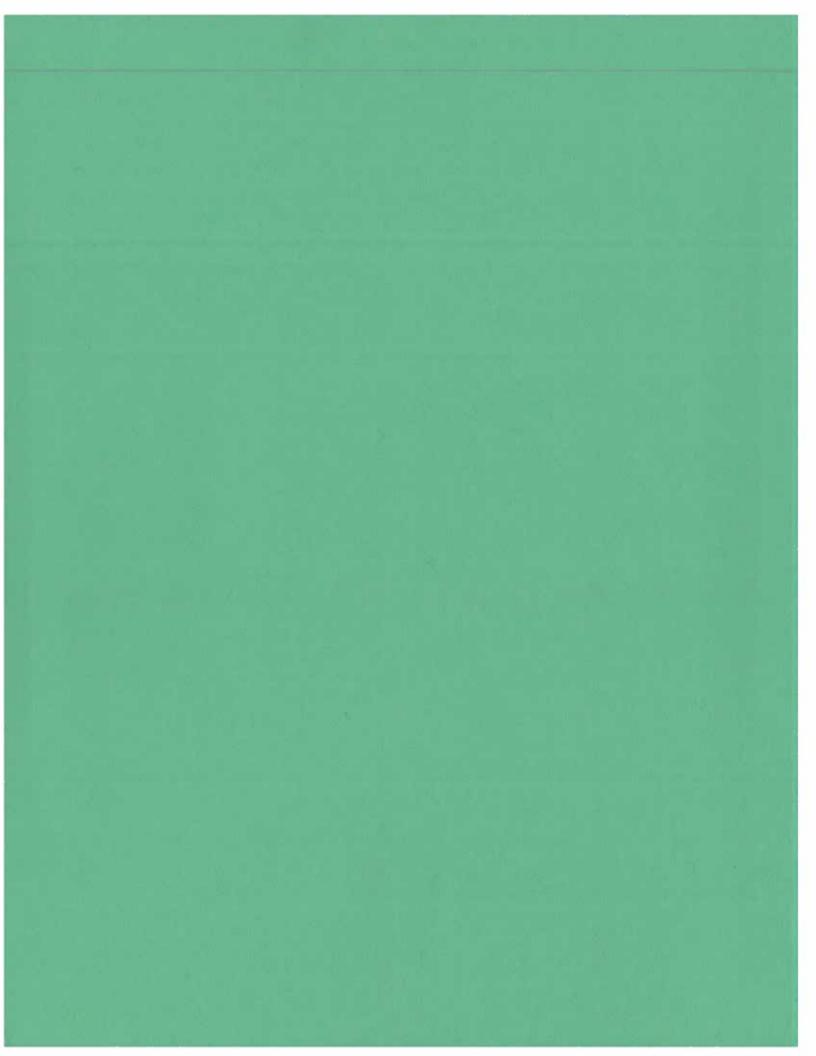
Kentucky: 4.5%

Existing Presence in Kentucky:

Gallatin County

Special Conditions:

The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY **KEIA REPORT**

Date:

March 27, 2019

Approved Company:

Nucor Corporation

City:

Brandenburg

County: Meade

Activity:

Manufacturing

Resolution #: KEIA-19-22496

Bus. Dev. Contact:

L. Ransdell

DFS Staff: M. Elder

Project Description:

Nucor Corporation and its affiliates are manufacturers of steel products. with operating facilities primarily in the U.S. and Canada. Nucor is considering growing its operations by constructing a new state-of-the-art plate mill facility and is considering Brandenburg for this location. The new plate mill would enhance Nucor's ability to serve its customers in the region

as well as the needs of its customers around the world.

Facility Details:

Locating in a new facility

Anticipated Project Investment

Land

Building Construction

Electronic Processing Equipment

Research & Development Equipment

Flight Simulation Equipment

Other Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment	
\$0	\$12,200,000	
\$177,265,000	\$177,275,000	
\$0	\$0	
\$0	\$0	
\$0	\$0	
\$0	\$1,165,200,000	
\$0	\$3,850,000	
\$177,265,000	\$1,358,525,000	

Approved Recovery Amount:

Construction Materials and Building Fixtures:

\$10,000,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$10,000,000

See KBI file (KBI-I-19-22495) for Ownership, Other State Participation and Unemployment Rate.